What Brand Fans Are Worth

Contributed by eMarketer
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Can a single number capture the value of social followers?

Many social media marketers are eager to tie a hard number to the value of their efforts. To that end, firms have attempted to analyze the worth of fans and followers on social networking sites like Facebook.

Digital consulting firm Syncapse and research company Hotspex have come up with an empirical formula that puts an average value of $136.38 on the Facebook fans of the siteâ€™s 20 biggest corporate brands.

Most of that value comes from how much the fans will spend on the brandâ€™s products, with additional dollars coming from customer loyalty, recommendations and earned media.

The study found that people spent significantly more on products they were fans of, compared with consumers who were not fans. In the case of many of Facebookâ€™s most popular food and beverage marketers, fan spending was more than double that of non-fans.

The pattern of increased fan spending held across all of the top 20 brands on Facebook, with differences ranging from 51% for Oreo fans to 168% for fans of Nokia.

Other studies have shown social followers are more likely to buy a brandâ€™s products, but have focused on whether such consumers are brand-loyal rather than how much they actually spend.

Social media management company Vitrue also attempted to put a dollar figure on Facebook followings. That study examined impressions in the Facebook newsfeed and their earned-media value to arrive at a figure of $3.60.

Syncapse and Hotspex calculated the earned-media component of a fanâ€™s value nearly twice as highly, at $6.79. Their report did not outline the methodology used to arrive at that figure, however. It did note that overall, fans vary widely in how valuable they are for brands.

â€œSome fans are intensely active while others are totally inactive,â€• the report said.

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